CERRO COPPER PRODUCTS CO.

A member of The Marmon Group of companies

INTERNAL MEMORANDUM

J. R. Matcuk
E. King
File

HQ-10

SHOW NAME, TITLE AND UNIT OF ADDRESSEE AND ADDRESSOR

TO: S. A. Silverstein

DATE: November 15, 1988

FROM:

Paul Tandler

SUBJECT:

WASTEWATER PRETREATMENT COST ALLOCATION

In reviewing the proper allocation of costs associated with pretreatment and compliance reporting with you and the other recipients of this memo I derived the following understandings:

- 1. AFE 86-07 will be further amended to cover our estimated expenses in developing an acceptable pretreatment program for copper forming and non-ferrous metals operations in balance 1988-89. Professional fees, legal expenses, treatability studies and conceptual engineering costs (both internal and outside) should be covered by this AFE addition.
- 2. Ongoing monitoring and reporting costs, such as those mandated by EPA Administrative Orders, Sauget Pretreatment Regulations, or of a similar nature will be treated as an operating expense apart from current waste treatment costs (line item 4626). Allen Feltz is being requested to create a separate line item account number. Our technical and legal consultants are also being asked to identify their billings for work in behalf of paragraph 1 above vs. the monitoring and reporting requirements.

If anyone has thoughts to the contrary please advise promptly.

PT/ge



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P. Tandler File

INTERNAL MEMORANDUM

HQ-10

SHOW NAME, TITLE AND UNIT OF ADDRESSEE AND ADDRESSOR

18: Allen Feltz

DATE: _____ November 15, 1988

FROM:

S. A. Silverstein

SUBJECT:

WASTEWATER MONITORING

Confirming our telecon this date we will henceforth be charging costs for wastewater sampling, analysis and reporting, along with related charges for those functions which we are required to perform in compliance with federal and local regulations, to Department 8497 and Expense Code 4649. For our budgetary purposes, I estimate the amount that will be expended during 1989 for this line item will be \$150,000.

SAS/ge